

AN ACT concerning public employee benefits.

**Be it enacted by the People of the State of Illinois,
represented in the General Assembly:**

Section 5. The Illinois Pension Code is amended by changing Sections 3-110.10 and 7-139.14 as follows:

(40 ILCS 5/3-110.10)

Sec. 3-110.10. Transfer from Article 7. Until January 1, 2009, a person may transfer to a fund established under this Article up to 8 years of creditable service accumulated under Article 7 of this Code upon payment to the fund of an amount to be determined by the board, equal to (i) the difference between the amount of employee and employer contributions transferred to the fund under Section 7-139.11 and the amounts that would have been contributed had such contributions been made at the rates applicable to an employee under this Article, plus (ii) interest thereon at the actuarially assumed rate, compounded annually, from the date of service to the date of payment.

No later than September 30, 2023 ~~6 months after the effective date of this amendatory Act of the 102nd General Assembly~~, a person may transfer to a fund established under this Article creditable service accumulated under Article 7 of this Code for service as a sheriff's law enforcement employee,

person employed by a participating municipality to perform police duties, ~~or~~ law enforcement officer employed on a full-time basis by a forest preserve district, or person employed by a participating municipality or instrumentality to perform administrative duties related to law enforcement upon payment to the fund of an amount to be determined by the board, equal to (i) the difference between the amount of employee and employer contributions transferred to the fund under Section 7-139.14 and the amounts that would have been contributed had such contributions been made at the rates applicable to an employee under this Article, plus (ii) interest thereon at the actuarially assumed rate, compounded annually, from the date of service to the date of payment.

(Source: P.A. 102-113, eff. 7-23-21.)

(40 ILCS 5/7-139.14)

Sec. 7-139.14. Transfer to Article 3 pension fund.

(a) No later than June 30, 2023 ~~Within 6 months after the effective date of this amendatory Act of the 102nd General Assembly,~~ an active member of a pension fund established under Article 3 of this Code may apply for transfer to that Article 3 pension fund of his or her credits and creditable service accumulated in this Fund for service as a sheriff's law enforcement employee, person employed by a participating municipality to perform police duties, ~~or~~ law enforcement officer employed on a full-time basis by a forest preserve

district, or person employed by a participating municipality or instrumentality to perform administrative duties related to law enforcement. The creditable service shall be transferred only upon payment by this Fund to such Article 3 pension fund of an amount equal to:

(1) the amounts accumulated to the credit of the applicant for the service to be transferred, including interest; and

(2) an amount representing employer contributions, equal to the total amount determined under item (1); and

(3) any interest paid by the applicant to reinstate such service.

Participation in this Fund as to any credits transferred under this Section shall terminate on the date of transfer.

(b) Notwithstanding any other provision of this Code, any person applying to transfer service under this Section may reinstate credits and creditable service terminated upon receipt of a separation benefit by paying to the Fund the amount of the separation benefit plus interest thereon at the actuarially assumed rate of interest to the date of payment. Such payment must be made within 60 ~~90~~ days after notification by the Fund of the cost of such reinstatement.

(Source: P.A. 102-113, eff. 7-23-21.)

Section 10. The Illinois Pension Code is amended by adding Section 3-110.13 and by changing Section 15-134.4 as follows:

(40 ILCS 5/3-110.13 new)

Sec. 3-110.13. Transfer from Article 15. No later than June 30, 2023, a person may irrevocably apply under Section 15-134.4 to transfer to a fund established under this Article creditable service accumulated under Article 15 of this Code for service as a police officer upon payment to the fund of an amount, to be determined by the board, equal to (i) the difference between the amount of employee and employer contributions transferred to the fund under Section 15-134.4 and the amounts that would have been contributed had such contributions been made at the rates applicable to an employee under this Article, plus (ii) interest thereon at the actuarially assumed rate, compounded annually, from the date of service to the date of payment.

(40 ILCS 5/15-134.4) (from Ch. 108 1/2, par. 15-134.4)

Sec. 15-134.4. Transfer of creditable service to an Article 3 pension fund, the Article 5 Pension Fund, or the Article 14 System.

(a) An active member of the Pension Fund established under Article 5 of this Code may apply, not later than January 1, 1990, to transfer his or her credits and creditable service accumulated under this System for service with the City Colleges of Chicago teaching in the Criminal Justice Program, to the Article 5 Fund. Such credits and creditable service

shall be transferred forthwith.

Payment by this System to the Article 5 Fund shall be made at the same time and shall consist of:

(1) the amounts credited to the applicant for such service through employee contributions, including interest, as of the date of transfer; and

(2) employer contributions equal in amount to the accumulated employee contributions as determined in item (1).

Participation in this System with respect to such credits shall terminate on the date of transfer.

(b) Any active member of the State Employees' Retirement System who is a State policeman, an investigator for the Secretary of State, or a conservation police officer, and who is not a participating employee in this System, may apply for transfer of some or all of his or her creditable service accumulated in this System for service as a police officer to the State Employees' Retirement System in accordance with Section 14-110. The creditable service shall be transferred only upon payment by this System to the State Employees' Retirement System of an amount equal to:

(1) the amounts accumulated to the credit of the applicant for the service to be transferred, including interest, as of the date of transfer, and any interest paid by the applicant to reinstate such service; and

(2) employer contributions equal in amount to the

accumulated employee contributions as determined in item

(1) ~~and~~

~~(3) any interest paid by the applicant to reinstate such service.~~

Participation in this System as to any credits transferred under this Section shall terminate on the date of transfer.

(c) Any person applying to transfer service under subsection (b) may reinstate credits and creditable service terminated upon receipt of a refund by paying to the System the amount of the refund plus interest thereon at the rate of 6% per year from the date of the refund to the date of payment.

(d) No later than June 30, 2023, any active member of a pension fund established under Article 3 of this Code who is not a participating employee in this System may apply for transfer of some or all of his or her creditable service accumulated in this System for service as a police officer to that Article 3 pension fund in accordance with Section 3-110.13. The creditable service shall be transferred only upon payment by this System to that Article 3 pension fund of an amount equal to:

(1) the amounts accumulated to the credit of the applicant for the service to be transferred, including interest, as of the date of transfer, and any interest paid by the applicant to reinstate such service; and

(2) employer contributions equal in amount to the accumulated employee contributions as determined in item

(1).

Participation in this System as to any credits transferred under this Section shall terminate on the date of transfer.

(e) An application to transfer credits and creditable service under this Section shall be irrevocable.

(Source: P.A. 95-530, eff. 8-28-07.)

Section 15. The Illinois Pension Code is amended by adding Sections 3-110.14 and 7-139.1a as follows:

(40 ILCS 5/3-110.14 new)

Sec. 3-110.14. Transfer to Article 7. On and after July 1, 2022 but no later than December 1, 2023, a participating employee who is actively employed as a sheriff's law enforcement employee under Article 7 may make a written election to transfer up to 10 years of creditable service from a fund established under this Article to the Illinois Municipal Retirement Fund established under Article 7. Upon receiving a written election by a participant under this Section, the creditable service shall be transferred to the Illinois Municipal Retirement Fund as soon as practicable upon payment by the police pension fund to the Illinois Municipal Retirement Fund of an amount equal to:

(1) the amounts accumulated to the credit of the applicant on the books of the fund on the date of the transfer; and

(2) employer contributions in an amount equal to the amount determined under paragraph (1).

Participation in the police pension fund with respect to the service to be transferred shall terminate on the date of transfer. This Section does not allow reinstatement of credits in this Article that were previously forfeited.

(40 ILCS 5/7-139.1a new)

Sec. 7-139.1a. Transfer from Article 3. On and after July 1, 2022 but no later than January 1, 2023, a participating sheriff's law enforcement employee may elect to transfer up to 10 years of service credit to the Fund as set forth in Section 3-110.14. To establish creditable service under this Section, the sheriff's law enforcement employee may elect to do either of the following:

(1) pay to the Fund an amount to be determined by the Board, equal to (i) the difference between the amount of employee and employer contributions transferred to the Fund under Section 3-110.14 and the amounts that would have been contributed had such contributions been made at the rates applicable to a sheriff's law enforcement employee under this Article, plus (ii) interest thereon at the actuarially assumed rate, compounded annually, from the date of service to the date of payment; or

(2) have the amount of his or her creditable service established under this Section reduced by an amount

corresponding to the amount by which (i) the employer and employee contributions that would have been required if he or she had participated in the Fund as a sheriff's law enforcement employee during the period for which credit is being transferred, plus interest thereon at the actuarially assumed rate, compounded annually, from the date of termination of the service for which credit is being transferred to the date of payment, exceeds (ii) the amount actually transferred to the Fund.

Notwithstanding the amount transferred by the Article 3 fund pursuant to Section 3-110.14, in no event shall the service credit established under this Section exceed the lesser of 10 years or the actual amount of service credit that had been earned in the Article 3 fund. If an amount greater than the amount described under paragraph (1) is transferred to the Fund, the additional amount shall be credited to the account of the sheriff's law enforcement employee's employer.

Section 90. The State Mandates Act is amended by adding Section 8.46 as follows:

(30 ILCS 805/8.46 new)

Sec. 8.46. Exempt mandate. Notwithstanding Sections 6 and 8 of this Act, no reimbursement by the State is required for the implementation of any mandate created by this amendatory Act of the 102nd General Assembly.

Public Act 102-1061

HB4209 Enrolled

LRB102 20423 RPS 29284 b

Section 99. Effective date. This Act takes effect upon becoming law, except that Sections 5 and 10 take effect January 1, 2023.